

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6196

BILL NUMBER: HB 1210

NOTE PREPARED: Nov 14, 2008

BILL AMENDED:

SUBJECT: Psychiatry Loan Repayment Program.

FIRST AUTHOR: Rep. Brown C

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
FEDERAL

IMPACT: State

STATE IMPACT	FY 2009	FY 2010	FY 2011
State Revenues			
State Expenditures		110,000	320,000
Net Increase (Decrease)		(110,000)	(320,000)

Summary of Legislation: This bill creates the Mental Health Services Loan Forgiveness Program to provide incentives to attract psychiatrists, psychologists, and psychiatric nurses to practice in Indiana. The bill creates the Mental Health Services Loan Forgiveness Board to administer the loan forgiveness program. The bill also creates the Mental Health Services Loan Forgiveness Account within the state General Fund and appropriates money to the account to fund the loan forgiveness program.

(The introduced version of this bill was prepared by the Commission on Mental Health.)

Effective Date: July 1, 2009.

Explanation of State Expenditures: This bill makes an appropriation of \$110,000 in FY 2010 and \$320,000 in FY 2011 for a student loan forgiveness program that is to be administered by the Mental Health Services Loan Forgiveness Board. The loan is intended to provide an incentive for psychiatrists, psychologists, and psychiatric nurses to practice in Indiana. Grants made under the program are not to exceed \$25,000 per person per year. Actual awards will depend upon actions and award amounts taken by the Board.

Additionally, the legislation creates the Mental Health Services Loan Forgiveness Account within the state General Fund. Money in the fund does not revert at the end of the fiscal year and is continually appropriated. Money in the account that is not awarded can be carried forward to provide additional awards in the future.

The legislation also specifies members of the Board and that members are entitled to reimbursement for travel expenditures and any expenditures associated with serving on the Board. The Board members are not entitled to a per diem for their service. Actual expenditures will depend on the distance traveled by Board members and any expenses incurred as a result of serving on the Board.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: DMHA, State Department of Health, Treasurer of State.

Local Agencies Affected:

Information Sources: Dennis Jones, IUPUI; Cathy Boggs, DMHA.

Fiscal Analyst: Bill Brumbach, 232-9559.